## Maine Medical Center Maine Health

SEP 30 2009

Division of Licensing and Regulatory Services

September 25, 2009

Phyllis Powell, Assistant Director Division of Licensing and Regulatory Services Certificate of Need Unit Department of Health and Human Services State House Station # 11 Augusta, Maine 04333-0011

RE:

Maine Medical Center

Bi-Plane Equipment Replacement

Letter of Intent

## Dear Ms. Powell:

Maine Medical Center (MMC) is requesting a ruling from the Department regarding the applicability of the Certificate of Need Program to MMC's proposed capital expenditures to replace its bi-plane interventional radiology equipment.

MMC's current bi-plane interventional radiology equipment was installed 9 years ago and supports Maine's only Interventional Neuro-radiology Program. The current equipment has reached end of life and can no longer be adequately supported.

The Maine Certificate of Need Act of 2002, 22 M.R.S.A. § 328 (16) states that in determining whether major medical equipment costs more than the threshold, "the cost of studies, surveys, designs, plans, working drawings, specifications and other activities essential to acquiring the equipment must be included." The acquisition costs for the replacement equipment are expected to be approximately \$1.9 million.

The replacement equipment will be installed in space in the interventional radiology suite currently occupied by the interventional radiology reading room, workroom, and associated space with building renovation costs expected to be \$700,000.

## PROPOSED CAPITAL EXPENDITURES

Bi-Plane Major Medical Equipment \$1,900,000 Renovations 700,000 TOTAL CAPITAL EXPENDITURES \$2,600,000

The acquisition cost of the replacement equipment is below the recently enacted review threshold of \$2 million for major medical equipment replacement; the capital expenditures for equipment acquisition and building renovations are below the \$3.1 million review threshold for capital expenditures.

If the Department determines that this project is subject to Certificate of Need review and approval, MMC respectfully requests that the Department deem the project to be qualified for the simplified review and approval process as described in the Maine

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Certificate of Need Act of 2002, 22 M.R.S.A. § 336 (5) regarding the replacement of major medical equipment.

I will be contacting you soon to arrange a meeting to discuss these capital expenditures and the Department's determination. Please feel free to contact me if you have any questions; I may be reached by telephone at 207-662-2451or by email at linehr@mmc.org.

Sincerely,

Richard M. Linehan Director of Planning